



State of Wisconsin

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STEPHEN R. MILLER
CHIEF

February 15, 2008

MEMORANDUM

To: Senator Breske

From: Mary Gibson-Glass, Sr. Legislative Attorney, (608) 267-3215

Subject: Technical Memorandum to **2007 SB 438** (LRB-3826/1) by **DOR**

We received the attached technical memorandum relating to your bill. This copy is for your information and your file.

If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

MEMORANDUM

February 7, 2008

TO: Mary Gibson-Glass
Legislative Reference Bureau

FROM: Paul Ziegler
Department of Revenue

SUBJECT: Technical Memorandum on SB 438 Regarding Changes to the Managed Forest Law Statutes

Under Section 69 of the bill, an owner of land under the Managed Forest Law (MFL) program may request the Department of Revenue (DOR) to prepare an estimate of the withdrawal tax that could be incurred if the owner's land were withdrawn from the MFL program. Such requests must be accompanied by a non-refundable fee of \$100 or \$5 times the number of whole and partial acres.

Since the bill does not specify an appropriation to which such fees should be credited, they would, by default, be deemed GPR-Earned. Under current law, DOR calculates the withdrawal fee on land that is actually withdrawn from the Forest Crop Law (FCL) and MFL programs. These calculations can be extensive and time consuming, especially when the land has been enrolled under the both the FCL and MFL programs for many years. To help DOR offset any costs that it might incur under the bill, the proposed fee could be deposited into a program revenue account under sec. 20.566 (2).

The proposed legislation makes no provision for the funding of the costs involved in administering the activities required. If the author wishes to provide funding, appropriation language could be developed and costs allocated in the following manner:

	Chapter 20	Amount	FTE
annual	s. 20.566 (2) (a)	\$ 5,900	0.25

If you have any questions regarding the technical memorandum, please contact Daniel Huegel at 266-5705. For questions concerning costs, please contact Julie Raes at 267-9892.

cc: Senator Roger Breske